

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Primary Government Financial Statements  
With Independent Auditors' Report

For the Year Ended June 30, 2010

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Primary Government Financial Statements With Independent Auditors' Report  
For the Year Ended June 30, 2010

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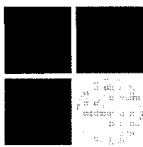
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Certified  
Public  
Accountants

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
**Unified School District No. 489 Hays, Kansas**  
Hays, Kansas

We have audited the accompanying primary government financial statements of **Unified School District No. 489 Hays, Kansas**, as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of **Unified School District No. 489 Hays, Kansas**' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and the audit guide require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data for the District's legally separate component unit, Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence. Accounting principles generally accepted in the United States of America require the financial data for this component unit to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the cash and unencumbered cash balances of the aggregate discretely presented component unit would have been reported as \$165,406 for Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence.

As described more fully in Note 1, **Unified School District No. 489 Hays, Kansas**, has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters discussed in the preceding two paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 489 Hays, Kansas**, as of June 30, 2010, or the changes in its financial position for the year then ended. Further, **Unified School District No. 489 Hays, Kansas** has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

**Unified School District No. 489 Hays, Kansas**  
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In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Unified School District No. 489 Hays, Kansas**, as of June 30, 2010, their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 06, 2010 on our consideration of **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **Unified School District No. 489 Hays, Kansas'** financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Adams, Brown, Beran & Ball*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

December 06, 2010

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Fund Categories</b>							
<b>General Funds</b>							
General Fund	688	178	17,949,300	17,949,988	178	21,212	21,390
Supplemental General Fund	157,754	-	5,677,187	5,723,578	111,363	-	111,363
<b>Special Revenue Funds</b>							
Adult Education Fund	401	-	50	-	451	-	451
At Risk (4 Year Old) Fund	-	-	175,957	175,957	-	-	-
At Risk (K-12) Fund	-	-	1,811,911	1,811,911	-	-	-
Bilingual Education Fund	-	130	118,436	118,566	-	-	-
Capital Outlay Fund	22,506	-	2,172,064	2,118,228	76,342	39,692	116,034
Driver Training Fund	-	-	53,538	53,538	-	1,447	1,447
Declining Enrollment Fund	-	-	531,183	531,183	-	-	-
Extraordinary School Program Fund	101,647	-	160,155	153,205	108,597	-	108,597
Food Service Fund	217,685	-	1,577,703	1,513,363	282,025	-	282,025
Professional Development Fund	-	1,710	-	-	1,710	-	1,710
Parent Education Program Fund	-	-	378,495	378,495	-	12,882	12,882
Summer School Fund	-	-	2,150	967	1,183	47	1,230
Special Education Fund	-	-	4,301,548	4,289,907	11,641	-	11,641
Virtual Education Fund	-	-	84,233	84,233	-	-	-
Vocational Education Fund	-	-	902,920	902,920	-	930	930
KPERS Special Retirement Contribution Fund	-	-	1,636,870	1,636,870	-	-	-
Coop Special Education Fund	81,541	117	7,244,835	6,912,888	413,605	2,168	415,773
Recreation Commission Fund	-	-	791,309	791,309	-	-	-
Recreation Commission Employee Benefits Fund	-	-	79,282	79,282	-	-	-
O'Loughlin Pre-School Fund	14,415	-	70,496	66,257	18,654	-	18,654
Minor Childcare Fund	(5,171)	30	110,288	102,851	2,296	-	2,296
Reading Recovery Collaboration Fund	-	-	5,025	5,025	-	-	-
Head Start Fund	(36,266)	-	869,566	905,519	(72,219)	59,345	(12,874)
Head Start - ARRA Fund	-	-	46,278	51,927	(5,649)	5,649	-
Head Start - ARRA Expansion Fund	-	-	67,872	74,385	(6,513)	6,513	-
Early Head Start Fund	(59,316)	-	729,883	673,612	(3,045)	5,650	2,605
Early Head Start - ARRA Fund	-	-	32,321	32,846	(326)	325	-
Early Head Start - ARRA Expansion Fund	-	-	136,355	137,956	(1,601)	1,601	-
Title I Fund	-	-	354,418	354,418	-	3,836	3,836
Title I Carryover Fund	-	-	60,500	60,500	-	-	-
Title I - ARRA Fund	-	-	136,103	136,103	-	-	-
Title I Migrant Fund	-	-	92,000	92,000	-	28,291	28,291
Title IV Safe and Drug Free Schools Fund	-	-	9,568	9,568	-	358	358
Title II A Teacher Quality Fund	-	-	147,219	147,219	-	1,375	1,375
Title II D Education Technology Fund	-	193	3,699	3,699	193	-	193
Title II D Education Technology - ARRA Fund	-	-	9,096	9,096	-	219	219
Miscellaneous Mini Grants Fund	13,618	-	92,499	88,427	17,690	-	17,690
Strengthening Families Grant Fund	-	-	14,076	14,958	(882)	81	(801)
PAT-KELC 2009 Fund	(6,202)	-	22,378	16,176	-	-	-
PAT-KELC 2010 Fund	-	-	12,639	13,524	(885)	-	(885)

The notes to the financial statements are an integral part of this statement.

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**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Summary of Expenditures - Actual and Budget  
For the Year Ended June 30, 2010

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Fund Categories</b>						
<b>General Funds</b>						
General Fund	\$ 17,733,736	(337,704)	553,956	17,949,988	17,949,988	-
Supplemental General Fund	5,723,578	-	-	5,723,578	5,723,578	-
<b>Special Revenue Funds</b>						
Adult Education Fund	1,000	-	-	1,000	-	(1,000)
At Risk (4 Year Old) Fund	175,957	-	-	175,957	175,957	-
At Risk (K-12) Fund	1,830,000	-	-	1,830,000	1,811,911	(18,089)
Bilingual Education Fund	122,202	-	-	122,202	118,566	(3,636)
Capital Outlay Fund	2,252,255	-	-	2,252,255	2,118,228	(134,027)
Driver Training Fund	72,960	-	-	72,960	53,538	(19,422)
Declining Enrollment Fund	509,509	-	-	509,509	531,183	21,674
Extraordinary School Program Fund	401,061	-	-	401,061	153,205	(247,856)
Food Service Fund	1,837,402	-	-	1,837,402	1,513,363	(324,039)
Parent Education Program Fund	386,979	-	-	386,979	378,495	(8,484)
Summer School Fund	2,267	-	-	2,267	967	(1,300)
Special Education Fund	4,400,871	-	-	4,400,871	4,289,907	(110,964)
Virtual Education Fund	88,390	-	-	88,390	84,233	(4,157)
Vocational Education Fund	902,920	-	-	902,920	902,920	-
KPERS Special Retirement Contribution Fund	1,888,782	-	-	1,888,782	1,636,870	(251,912)
Coop Special Education Fund	7,440,755	-	-	7,440,755	6,912,888	(527,867)
Recreation Commission Fund	809,715	-	-	809,715	791,309	(18,406)
Recreation Commission Employee Benefits Fund	85,829	-	-	85,829	79,282	(6,547)
<b>Debt Service Funds</b>						
Bond and Interest Fund	758,700	-	-	758,700	768,675	(25)
No Fund Warrant Fund	105,500	-	-	105,500	105,500	-

The notes to the financial statements are an integral part of this statement.



UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Taxes and Shared Revenues</b>				
Taxes	\$ 4,443,039	4,364,884	4,244,053	120,831
<b>Intergovernmental Revenues</b>				
Equalization Aid	11,281,064	9,716,312	10,108,051	(391,739)
Mineral Severance Tax	53,525	14,881	34,355	(19,474)
State Aid	15,500	3,533	-	3,533
Special Education State Aid	3,138,412	2,515,196	2,562,519	(47,323)
Federal Aid	4,181	-	-	-
Federal Aid - ARRA	-	784,071	784,071	-
<b>Total Intergovernmental Revenues</b>	14,492,682	13,033,993	13,488,996	(455,003)
<b>Other Local Sources</b>				
Reimbursements	128,899	550,423	-	550,423
<b>Total Cash Receipts</b>	19,064,620	17,949,300	17,733,049	216,251
<b>Expenditures</b>				
<b>Instruction</b>				
Salaries and Benefits	4,335,132	4,231,748	3,859,454	372,294
Purchased Services	72,201	66,139	64,108	2,031
Supplies	277,736	250,066	236,253	13,813
Textbooks and Software	98,251	126,503	20,118	106,385
Other Expenditures	9,175	13,123	12,555	568
<b>Total Instruction</b>	4,792,495	4,687,579	4,192,488	495,091
<b>Student Support Services</b>				
Salaries and Benefits	582,097	3,404	270,384	(266,980)
Purchased Services	12,054	10,098	6,700	3,398
Supplies	8,115	7,501	13,050	(5,549)
<b>Total Student Support Services</b>	602,266	21,003	290,134	(269,131)
<b>Instructional Support Services</b>				
Salaries and Benefits	527,967	602,694	492,669	110,025
Purchased Services	14,281	10,093	7,500	2,593
Supplies	44,367	39,923	43,980	(4,057)
<b>Total Instruct. Support Services</b>	586,615	652,710	544,149	108,561

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures (continued)</b>				
<b>General Administration</b>				
Salaries and Benefits	649,528	642,535	656,553	(14,018)
Purchased Services	94,039	84,137	45,390	38,747
Supplies	13,471	7,956	16,550	(8,594)
Other Expenditures	14,998	10,998	46,420	(35,422)
<b>Total General Administration</b>	<u>772,036</u>	<u>745,626</u>	<u>764,913</u>	<u>(19,287)</u>
<b>School Administration</b>				
Salaries and Benefits	1,892,066	1,684,292	1,787,274	(102,982)
Purchased Services	57,294	44,764	53,872	(9,108)
Supplies	12,950	10,770	14,350	(3,580)
<b>Total School Administration</b>	<u>1,962,310</u>	<u>1,739,826</u>	<u>1,855,496</u>	<u>(115,670)</u>
<b>Operations and Maintenance</b>				
Salaries and Benefits	955,784	888,028	889,369	(1,341)
Purchased Services	254,862	249,382	227,886	21,496
Supplies	149,466	140,679	131,557	9,122
Utilities	605,214	577,866	664,766	(86,900)
<b>Total Oper. and Maintenance</b>	<u>1,965,326</u>	<u>1,855,955</u>	<u>1,913,578</u>	<u>(57,623)</u>
<b>Student Transportation Services</b>				
Salaries and Benefits	568,069	524,558	561,817	(37,259)
Purchased Services	80,144	68,579	72,984	(4,405)
Supplies	43,678	33,056	49,500	(16,444)
Motor Fuel	102,357	75,960	105,100	(29,140)
Equipment	13,710	2,825	12,358	(9,533)
Other Expenditures	3,989	3,346	3,850	(504)
<b>Total Student Trans. Services</b>	<u>811,947</u>	<u>708,324</u>	<u>805,609</u>	<u>(97,285)</u>
<b>Other Supplemental Services</b>				
Salaries and Benefits	108,310	108,796	109,330	(534)
Purchased Services	1,823	959	2,000	(1,041)
Other Expenditures	2,688	11,508	2,700	8,808
<b>Total Other Supp. Services</b>	<u>112,821</u>	<u>121,263</u>	<u>114,030</u>	<u>7,233</u>
<b>Operating Transfers</b>				
Bilingual Education	61,530	118,436	122,202	(3,766)
Capital Outlay	-	5,360	-	5,360
Driver Training	25,213	1,157	-	1,157
Professional Development	26,850	-	-	-
Parent Education Program	42,738	42,737	42,738	(1)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
	Actual	Actual	Budget	
<b>Operating Transfers (continued)</b>				
Summer School	6,134	-	-	-
Special Education	4,728,515	<b>4,301,548</b>	4,400,871	(99,323)
Vocational Education	921,077	<b>876,388</b>	876,388	-
At Risk (4 Year Old)	159,261	<b>175,957</b>	175,957	-
At Risk (K-12)	1,462,786	<b>1,811,886</b>	1,610,122	201,764
Virtual Education	24,700	<b>84,233</b>	25,061	59,172
<b>Total Operating Transfers</b>	<u>7,458,804</u>	<u><b>7,417,702</b></u>	<u>7,253,339</u>	<u>164,363</u>
 (a) Adjustment for Qualifying Budget Credits	-	-	553,956	(553,956)
Adjustment to Comply with Legal Max	-	-	(337,704)	337,704
 <b>Total Expenditures and Legal General Fund Budget</b>	<u>19,064,620</u>	<u><b>17,949,988</b></u>	<u>17,949,988</u>	<u>-</u>
 <b>Cash Receipts Over (Under) Expenditures</b>	-	<b>(688)</b>		
 <b>Unencumbered Cash - Beginning</b>	-	<b>688</b>		
 <b>Prior Year Cancelled Encumbrances</b>	<u>688</u>	<u>178</u>		
 <b>Unencumbered Cash - Ending</b>	<u>\$ 688</u>	<u>178</u>		
 <b>(a) Adjustment for Qualifying Budget Credits</b>				
State Aid Over Amount Budgeted			\$ 3,533	
Reimbursements Over Amount Budgeted			<u>550,423</u>	
 <b>Total</b>			<u>\$ 553,956</u>	

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Supplemental General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 5,014,798	4,795,808	4,507,037	288,771
Intergovernmental Revenues				
Equalization Aid	679,475	649,026	909,705	(260,679)
Federal Aid - ARRA	-	232,353	-	232,353
<b>Total Cash Receipts</b>	<u>5,694,273</u>	<u>5,677,187</u>	<u>5,416,742</u>	<u>260,445</u>
<b>Expenditures</b>				
Instruction	5,704,663	5,715,031	5,715,031	-
General Administration	<u>5,616</u>	<u>8,547</u>	<u>8,547</u>	<u>-</u>
<b>Total Expenditures and Legal         Supplemental General Fund Budget</b>	<u>5,710,279</u>	<u>5,723,578</u>	<u>5,723,578</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(16,006)	(46,391)		
<b>Unencumbered Cash - Beginning</b>	<u>173,760</u>	<u>157,754</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 157,754</u>	<u>111,363</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Adult Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 25	50	1,000	(950)
<b>Expenditures</b>				
Instruction	-	-	1,000	(1,000)
<b>Cash Receipts Over (Under) Expenditures</b>	25	50		
<b>Unencumbered Cash - Beginning</b>	376	401		
<b>Unencumbered Cash - Ending</b>	\$ 401	451		

The notes to the financial statements are an integral part of this statement.

## UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS

## At Risk (4 Year Old) Fund

## Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2010

(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 159,261	175,957	175,957	-
<b>Expenditures</b>				
Instruction	159,261	175,957	175,957	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**At Risk (K-12) Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 2,214	25	-	25
Operating Transfers	1,462,786	1,811,886	1,830,000	(18,114)
<b>Total Cash Receipts</b>	1,465,000	1,811,911	1,830,000	(18,089)
<b>Expenditures</b>				
Instruction	1,042,788	832,804	913,613	(80,809)
Student Support Services	339,105	895,603	834,426	61,177
School Administration	83,107	83,504	81,961	1,543
<b>Total Expenditures</b>	1,465,000	1,811,911	1,830,000	(18,089)
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Bilingual Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 61,530	<b>118,436</b>	<u>122,202</u>	<u>(3,766)</u>
<b>Expenditures</b>				
Instruction	<u>61,530</u>	<u><b>118,566</b></u>	<u>122,202</u>	<u>(3,636)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	<b>(130)</b>		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Prior Year Cancelled Encumbrances</b>	<u>-</u>	<u>130</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

The notes to the financial statements are an integral part of this statement.



## UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS

## Capital Outlay Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2010

(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Under
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 2,136,219	2,110,142	2,025,904	84,238
Intergovernmental Revenues				
State Aid	19,470	-	-	-
Federal Aid	19,496	10,116	-	10,116
Other Local Sources				
Interest on Idle Funds	37,895	12,771	35,000	(22,229)
Sale of Assets	2,966	7,735	-	7,735
Miscellaneous Income	43,170	25,940	168,845	(142,905)
Operating Transfers	-	5,360	-	5,360
<b>Total Cash Receipts</b>	<u>2,259,216</u>	<u>2,172,064</u>	<u>2,229,749</u>	<u>(57,685)</u>
<b>Expenditures</b>				
Instruction	1,052,386	1,097,545	1,093,936	3,609
Central Services	32,264	32,163	35,508	(3,345)
Operations and Maintenance	148,357	129,920	138,860	(8,940)
Other Supplemental Services	181,149	134,144	207,669	(73,525)
Facility Acquisition and Construction	923,475	724,456	776,282	(51,826)
<b>Total Expenditures</b>	<u>2,337,631</u>	<u>2,118,228</u>	<u>2,252,255</u>	<u>(134,027)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(78,415)	53,836		
<b>Unencumbered Cash - Beginning</b>	98,821	22,506		
<b>Prior Year Cancelled Encumbrances</b>	<u>2,100</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 22,506</u>	<u>76,342</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Driver Training Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ 5,282	5,750	6,500	(750)
Other Local Sources				
Fees	38,760	46,052	66,460	(20,408)
Public Grants	-	579	-	579
Operating Transfers	25,213	1,157	-	1,157
<b>Total Cash Receipts</b>	69,255	53,538	72,960	(19,422)
<b>Expenditures</b>				
Instruction	69,255	53,538	72,960	(19,422)
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Declining Enrollment Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 538,332	<b>531,183</b>	509,509	21,674
Intergovernmental Revenues				
State Aid	12,957	-	-	-
<b>Total Cash Receipts</b>	551,289	<b>531,183</b>	<u>509,509</u>	<u>21,674</u>
<b>Expenditures</b>				
State Payment	551,289	<b>531,183</b>	<u>509,509</u>	<u>21,674</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Extraordinary School Program Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 164,898	<b>160,155</b>	<u>285,000</u>	<u>(124,845)</u>
<b>Expenditures</b>				
Instruction	472	<b>6,674</b>	176,142	(169,468)
Student Support Services	<u>162,894</u>	<u><b>146,531</b></u>	<u>224,919</u>	<u>(78,388)</u>
<b>Total Expenditures</b>	<u>163,366</u>	<u><b>153,205</b></u>	<u><u>401,061</u></u>	<u><u>(247,856)</u></u>
<b>Cash Receipts Over (Under) Expenditures</b>	1,532	<b>6,950</b>		
<b>Unencumbered Cash - Beginning</b>	<u>100,115</u>	<u><b>101,647</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u><u>101,647</u></u>	<u><u><b>108,597</b></u></u>		

The notes to the financial statements are an integral part of this statement.

## UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS

## Food Service Fund

## Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2010

(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 17,366	16,997	17,690	(693)
Federal Aid	663,798	747,207	590,498	156,709
Federal Aid - ARRA	-	15,390	-	15,390
Other Local Sources				
Food Service Receipts	759,164	753,445	974,916	(221,471)
Interest on Idle Funds	4,344	1,443	10,000	(8,557)
Miscellaneous Income	38,359	43,221	26,613	16,608
<b>Total Cash Receipts</b>	<u>1,483,031</u>	<u>1,577,703</u>	<u>1,619,717</u>	<u>(42,014)</u>
<b>Expenditures</b>				
Operations and Maintenance	48,336	47,185	40,211	6,974
Food Service Operation	1,425,656	1,466,178	1,797,191	(331,013)
<b>Total Expenditures</b>	<u>1,473,992</u>	<u>1,513,363</u>	<u>1,837,402</u>	<u>(324,039)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	9,039	64,340		
<b>Unencumbered Cash - Beginning</b>	<u>208,646</u>	<u>217,685</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>217,685</u>	<u>282,025</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Professional Development Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Cash Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ 1,788	-	-	-
Other Local Sources				
Operating Transfers	26,850	-	-	-
<b>Total Cash Receipts</b>	28,638	-	-	-
<b>Expenditures</b>				
Instructional Support Services	28,936	-	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	(298)	-		
<b>Unencumbered Cash - Beginning</b>	148	-		
<b>Prior Year Cancelled Encumbrances</b>	150	1,710		
<b>Unencumbered Cash - Ending</b>	\$ -	1,710		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Parent Education Program Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 228,449	229,391	228,449	942
Federal Aid	-	-	89,818	(89,818)
Other Local Sources				
Out of District Local Match	4,000	4,000	14,000	(10,000)
Reimbursements	101,792	102,367	11,974	90,393
Operating Transfers	42,738	42,737	42,738	(1)
<b>Total Cash Receipts</b>	<u>376,979</u>	<u>378,495</u>	<u>386,979</u>	<u>(8,484)</u>
<b>Expenditures</b>				
Student Support Services	375,243	375,499	384,979	(9,480)
Instructional Support Services	1,736	2,996	2,000	996
<b>Total Expenditures</b>	<u>376,979</u>	<u>378,495</u>	<u>386,979</u>	<u>(8,484)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Summer School Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 1,800	2,150	2,267	(117)
Operating Transfers	6,134	-	-	-
<b>Total Cash Receipts</b>	7,934	2,150	2,267	(117)
<b>Expenditures</b>				
Instruction	847	967	2,267	(1,300)
School Administration	7,212	-	-	-
<b>Total Expenditures</b>	8,059	967	2,267	(1,300)
<b>Cash Receipts Over (Under) Expenditures</b>	(125)	1,183		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Prior Year Cancelled Encumbrances</b>	125	-		
<b>Unencumbered Cash - Ending</b>	\$ -	1,183		

The notes to the financial statements are an integral part of this statement.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Special Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 4,728,515	<b>4,301,548</b>	<u>4,400,871</u>	<u>(99,323)</u>
<b>Expenditures</b>				
Student Transportation Services	202,975	<b>166,747</b>	219,200	(52,453)
Operating Transfers	<u>4,531,166</u>	<u><b>4,123,160</b></u>	<u>4,181,671</u>	<u>(58,511)</u>
<b>Total Expenditures</b>	<u>4,734,141</u>	<u><b>4,289,907</b></u>	<u><u>4,400,871</u></u>	<u><u>(110,964)</u></u>
<b>Cash Receipts Over (Under) Expenditures</b>	(5,626)	<b>11,641</b>		
<b>Unencumbered Cash - Beginning</b>	<u>5,626</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u><b>11,641</b></u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Virtual Education Fund**

Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 24,700	84,233	88,390	(4,157)
<b>Expenditures</b>				
Instruction	24,700	84,233	88,390	(4,157)
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Vocational Education Fund**

Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
Federal Aid	\$ 27,178	26,532	26,532	-
Other Local Sources				
Operating Transfers	921,077	876,388	876,388	-
<b>Total Cash Receipts</b>	948,255	902,920	902,920	-
<b>Expenditures</b>				
Instruction	948,255	902,920	902,920	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**KPERS Special Retirement Contribution Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ 1,639,568	1,636,870	1,888,782	(251,912)
<b>Expenditures</b>				
Instruction	1,098,510	1,096,703	1,265,511	(168,808)
Student Support Services	81,978	81,844	94,430	(12,586)
Instructional Support Services	81,978	81,844	94,430	(12,586)
General Administration	65,583	65,475	75,551	(10,076)
School Administration	114,770	114,581	132,215	(17,634)
Other Supplemental Services	16,396	16,369	18,889	(2,520)
Operations and Maintenance	81,979	81,844	94,430	(12,586)
Student Transportation Services	49,187	49,105	56,663	(7,558)
Food Service Operation	49,187	49,105	56,663	(7,558)
<b>Total Expenditures</b>	1,639,568	1,636,870	1,888,782	(251,912)
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Coop Special Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Over (Under)
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 1,322	5,360	-	5,360
Federal Aid	887,919	907,979	907,979	-
Federal Aid - ARRA	-	480,217	480,217	-
Medicaid	144,092	169,256	140,000	29,256
Other Local Sources				
Out of District Tuition	781,881	776,306	5,831,018	(5,054,712)
Reimbursed Equalization Aid	949,658	782,557	-	782,557
Operating Transfers	4,531,166	4,123,160	-	4,123,160
<b>Total Cash Receipts</b>	<u>7,296,038</u>	<u>7,244,835</u>	<u>7,359,214</u>	<u>(114,379)</u>
<b>Expenditures</b>				
Instruction	5,912,704	5,572,264	6,076,272	(504,008)
Student Support Services	1,022,790	1,026,080	1,035,962	(9,882)
Instructional Support Services	12,114	2,970	4,143	(1,173)
Special Area Administration Services	312,097	198,310	209,336	(11,026)
School Administration	112,715	113,264	113,542	(278)
Operations and Maintenance	653	-	1,500	(1,500)
<b>Total Expenditures</b>	<u>7,373,073</u>	<u>6,912,888</u>	<u>7,440,755</u>	<u>(527,867)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(77,035)	331,947		
<b>Unencumbered Cash - Beginning</b>	158,499	81,541		
<b>Prior Year Cancelled Encumbrances</b>	77	117		
<b>Unencumbered Cash - Ending</b>	<u>\$ 81,541</u>	<u>413,605</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Recreation Commission Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 802,464	<b>791,309</b>	<u>809,715</u>	<u>(18,406)</u>
<b>Expenditures</b>				
Community Service Operations	<u>802,464</u>	<u><b>791,309</b></u>	<u>809,715</u>	<u>(18,406)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Recreation Commission Employee Benefits Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 82,539	<b>79,282</b>	<u>85,829</u>	<u>(6,547)</u>
<b>Expenditures</b>				
Community Service Operations	<u>85,953</u>	<u><b>79,282</b></u>	<u>85,829</u>	<u>(6,547)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(3,414)	-		
<b>Unencumbered Cash - Beginning</b>	<u>3,414</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**O'Loughlin Pre-School Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Tuition Fees	\$ 77,333	70,496
<b>Expenditures</b>		
Instruction	69,852	66,257
<b>Cash Receipts Over (Under) Expenditures</b>	7,481	4,239
<b>Unencumbered Cash - Beginning</b>	6,934	14,415
<b>Unencumbered Cash - Ending</b>	\$ 14,415	18,654

The notes to the financial statements are an integral part of this statement.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Munjoy Childcare Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Daycare Receipts	\$ 975	11,477
Public Grants	42,384	98,811
<b>Total Cash Receipts</b>	43,359	110,288
<b>Expenditures</b>		
Student Support Services	42,365	92,750
Operations and Maintenance	6,165	10,101
<b>Total Expenditures</b>	48,530	102,851
<b>Cash Receipts Over (Under) Expenditures</b>	(5,171)	7,437
<b>Unencumbered Cash - Beginning</b>	-	(5,171)
<b>Prior Year Cancelled Encumbrances</b>	-	30
<b>Unencumbered Cash - Ending</b>	\$ (5,171)	2,296

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Reading Recovery Collaboration Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Tuition Fees	\$ 5,090	5,025
Miscellaneous Income	315	-
<b>Total Cash Receipts</b>	5,405	5,025
<b>Expenditures</b>		
Instructional Support Services	5,405	5,025
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 834,743	869,566
<b>Expenditures</b>		
Instruction	789,104	838,230
School Administration	72,212	67,289
<b>Total Expenditures</b>	861,316	905,519
<b>Cash Receipts Over (Under) Expenditures</b>	(26,573)	(35,953)
<b>Unencumbered Cash - Beginning</b>	(9,693)	(36,266)
<b>Unencumbered Cash - Ending</b>	\$ (36,266)	(72,219)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start - ARRA Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid - ARRA	\$ -	46,278
<b>Expenditures</b>		
Instruction	-	51,927
<b>Cash Receipts Over (Under) Expenditures</b>	-	(5,649)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(5,649)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start - ARRA Expansion Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid - ARRA	\$ -	67,872
<b>Expenditures</b>		
Instruction	-	74,143
School Administration	-	242
<b>Total Expenditures</b>	-	74,385
<b>Cash Receipts Over (Under) Expenditures</b>	-	(6,513)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(6,513)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Early Head Start Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 656,065	729,883
<b>Expenditures</b>		
Instruction	632,545	638,506
School Administration	35,228	35,106
<b>Total Expenditures</b>	667,773	673,612
<b>Cash Receipts Over (Under) Expenditures</b>	(11,708)	56,271
<b>Unencumbered Cash - Beginning</b>	(47,608)	(59,316)
<b>Unencumbered Cash - Ending</b>	\$ (59,316)	(3,045)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Early Head Start - ARRA Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid - ARRA	\$ -	32,321
<b>Expenditures</b>		
Instruction	-	32,431
School Administration	-	215
<b>Total Expenditures</b>	-	32,646
<b>Cash Receipts Over (Under) Expenditures</b>	-	(325)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(325)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Early Head Start - ARRA Expansion Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid - ARRA	\$ -	136,355
<b>Expenditures</b>		
Instruction	-	126,978
School Administration	-	1,604
Operations and Maintenance	-	6,022
Facility Acquisition and Construction	-	3,352
<b>Total Expenditures</b>	-	137,956
<b>Cash Receipts Over (Under) Expenditures</b>	-	(1,601)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(1,601)

The notes to the financial statements are an integral part of this statement.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 344,282	354,418
<b>Expenditures</b>		
Instruction	334,226	344,311
General Administration	10,056	10,107
<b>Total Expenditures</b>	344,282	354,418
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I Carryover Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 40,000	60,500
<b>Expenditures</b>		
Instruction	40,000	60,500
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I - ARRA Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid - ARRA	\$ -	136,103
<b>Expenditures</b>		
Instruction	-	136,103
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I Migrant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 100,000	92,000
<b>Expenditures</b>		
Instruction	88,360	84,953
Student Support Services	5,560	2,240
Instructional Support Services	2,710	2,650
School Administration	3,370	2,157
<b>Total Expenditures</b>	100,000	92,000
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title IV Safe and Drug Free Schools Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 9,681	9,568
<b>Expenditures</b>		
Instruction	4,841	9,568
Operating Transfers	4,840	-
<b>Total Expenditures</b>	9,681	9,568
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title IV Safe and Drug Free Schools Carryover Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 1,583	-
<b>Expenditures</b>		
Operating Transfers	1,583	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II A Teacher Quality Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 146,943	147,219
Other Local Sources		
Operating Transfers	6,423	-
<b>Total Cash Receipts</b>	153,366	147,219
<b>Expenditures</b>		
Instruction	153,392	147,219
<b>Cash Receipts Over (Under) Expenditures</b>	(26)	-
<b>Unencumbered Cash - Beginning</b>	(4)	-
<b>Prior Year Cancelled Encumbrances</b>	30	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II A Teacher Quality Carryover Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 3,229	-
<b>Expenditures</b>		
Instruction	3,229	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II D Education Technology Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 3,868	3,699
<b>Expenditures</b>		
Instruction	3,868	3,699
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Prior Year Cancelled Encumbrances</b>	-	193
<b>Unencumbered Cash - Ending</b>	\$ -	193

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II D Education Technology - ARRA Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2010**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid - ARRA	\$ -	9,096
<b>Expenditures</b>		
Instruction	-	9,096
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Miscellaneous Mini Grants Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ -	800
Other Local Sources		
Public Grants	19,015	91,699
<b>Total Cash Receipts</b>	19,015	92,499
<b>Expenditures</b>		
Instruction	5,119	5,440
General Administration	-	16,069
Operations and Maintenance	10,400	66,918
<b>Total Expenditures</b>	15,519	88,427
<b>Cash Receipts Over (Under) Expenditures</b>	3,496	4,072
<b>Unencumbered Cash - Beginning</b>	10,122	13,618
<b>Unencumbered Cash - Ending</b>	\$ 13,618	17,690

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Strengthening Families Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ -	14,076
<b>Expenditures</b>		
Instructional Support Services	-	14,958
<b>Cash Receipts Over (Under) Expenditures</b>	-	(882)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(882)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**PAT-KELC 2009 Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ 2,238	22,378
<b>Expenditures</b>		
Instructional Support Services	8,440	16,176
<b>Cash Receipts Over (Under) Expenditures</b>	(6,202)	6,202
<b>Unencumbered Cash - Beginning</b>	-	(6,202)
<b>Unencumbered Cash - Ending</b>	\$ (6,202)	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**PAT-KELC 2010 Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ -	12,639
<b>Expenditures</b>		
Instructional Support Services	-	13,524
<b>Cash Receipts Over (Under) Expenditures</b>	-	(885)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(885)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2007 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ 34,111	-
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	34,111	-
<b>Unencumbered Cash - Beginning</b>	(34,111)	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2008 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ 316,523	-
<b>Expenditures</b>		
Instruction	242,516	-
Instructional Support Services	17,365	-
<b>Total Expenditures</b>	259,881	-
<b>Cash Receipts Over (Under) Expenditures</b>	56,642	-
<b>Unencumbered Cash - Beginning</b>	(56,642)	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2009 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 187,849	260,411
<b>Expenditures</b>		
Instruction	225,942	163,373
Instructional Support Services	45,690	13,255
<b>Total Expenditures</b>	271,632	176,628
<b>Cash Receipts Over (Under) Expenditures</b>	(83,783)	83,783
<b>Unencumbered Cash - Beginning</b>	-	(83,783)
<b>Unencumbered Cash - Ending</b>	\$ (83,783)	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2010 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ -	166,071
<b>Expenditures</b>		
Instruction	-	202,176
Instructional Support Services	-	34,630
<b>Total Expenditures</b>	-	236,806
<b>Cash Receipts Over (Under) Expenditures</b>	-	(70,735)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(70,735)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**ECMH 2008 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ 13,039	-
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	13,039	-
<b>Unencumbered Cash - Beginning</b>	(13,039)	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**ECMH 2009 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ 4,100	38,463
<b>Expenditures</b>		
Instructional Support Services	17,909	24,654
<b>Cash Receipts Over (Under) Expenditures</b>	(13,809)	13,809
<b>Unencumbered Cash - Beginning</b>	-	(13,809)
<b>Unencumbered Cash - Ending</b>	\$ (13,809)	-

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**ECMH 2010 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
State Aid	\$ -	15,694
<b>Expenditures</b>		
Instructional Support Services	-	30,586
<b>Cash Receipts Over (Under) Expenditures</b>	-	(14,892)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(14,892)

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Bond and Interest Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2010  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 785,973	694,433	665,269	29,164
Intergovernmental Revenue				
State Aid	7,534	-	-	-
<b>Total Cash Receipts</b>	<u>793,507</u>	<u>694,433</u>	<u>665,269</u>	<u>29,164</u>
<b>Expenditures</b>				
Principal	685,000	720,000	720,000	-
Interest	68,360	38,675	38,675	-
Commissions and Postage	-	-	25	(25)
<b>Total Expenditures</b>	<u>753,360</u>	<u>758,675</u>	<u>758,700</u>	<u>(25)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	40,147	(64,242)		
<b>Unencumbered Cash - Beginning</b>	<u>727,474</u>	<u>767,621</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>767,621</u>	<u>703,379</u>		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**No Fund Warrant Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended June 30, 2010  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 99,134	148,402	141,870	6,532
<b>Expenditures</b>				
Principal	-	98,993	98,993	-
Interest	-	6,507	6,507	-
<b>Total Expenditures</b>	-	105,500	105,500	-
<b>Cash Receipts Over (Under) Expenditures</b>	99,134	42,902		
<b>Unencumbered Cash - Beginning</b>	-	99,134		
<b>Unencumbered Cash - Ending</b>	\$ 99,134	142,036		

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Agency Funds**  
Summary of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2010

Student Organization Funds	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
<b>High School</b>				
Class of 2008	\$ 3,570	-	3,570	-
Class of 2009	3,427	11	3,438	-
Class of 2010	1,971	918	1,755	1,134
Class of 2011	3,915	2,808	5,137	1,586
Class of 2012	2,178	2,445	532	4,091
Class of 2013	-	3,134	1,031	2,103
Project Graduation	-	6,440	6,440	-
BPA	4,973	11,523	15,074	1,422
DECA	4,714	7,033	6,195	5,552
Concessions	2,026	14,308	13,685	2,649
FFA	13,210	21,560	17,810	16,960
National Honor Society	2,764	2,409	2,807	2,366
Spanish	289	3,532	3,490	331
Science Club	4,571	2,098	1,765	4,904
Spirit Club	-	622	622	-
STUCO	3,087	9,508	8,083	4,512
International Club	1,068	7,002	7,889	181
Peer Team	45	195	240	-
Helping Hands	3,848	9,550	10,211	3,187
<b>Total High School</b>	<b>55,656</b>	<b>105,096</b>	<b>109,774</b>	<b>50,978</b>
<b>Felten Middle School</b>				
6th Grade	143	1,152	970	325
7th Grade	-	138	138	-
8th Grade	157	-	157	-
8th Grade Recognition	4,094	2,210	2,695	3,609
Cheerleader	2,976	6,125	6,679	2,422
Dance Team	-	-	-	-
Natural Helpers	1,160	1,813	1,498	1,475
Spirit Club	6,706	3,879	3,646	6,939
STUCO	1,583	2,298	2,733	1,148
Builders Club	167	939	973	133
F.O.R.	438	-	-	438
Rachel's Challenge	467	6,353	6,395	425
<b>Total Felten Middle School</b>	<b>\$ 17,891</b>	<b>24,907</b>	<b>25,884</b>	<b>16,914</b>

The notes to the financial statements are an integral part of this statement.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Agency Funds**  
Summary of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2010

<u>Student Organization Funds</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
<b>Kennedy Middle School</b>				
Cheerleaders/Pep Club	\$ 860	4,766	3,950	<b>1,676</b>
8th Grade Recognition	372	1,607	1,462	<b>517</b>
Spirit Club	30	16	-	<b>46</b>
STUCO	654	8,935	8,267	<b>1,322</b>
Dance Team	146	851	827	<b>170</b>
<b>Total Kennedy Middle School</b>	<u>2,062</u>	<u>16,175</u>	<u>14,506</u>	<u><b>3,731</b></u>
<b>Washington Grade School</b>				
STUCO	<u>2,833</u>	<u>436</u>	<u>46</u>	<u><b>3,223</b></u>
<b>Total Student Organization Funds</b>	<u>\$ 78,442</u>	<u>146,614</u>	<u>150,210</u>	<u><b>74,846</b></u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS

District Activity Funds

Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Gate Receipts</b>							
High School							
Athletics	\$ 11,491	-	203,007	177,082	37,416	5,301	42,717
Musical	16,354	-	20,656	14,030		15	22,985
<b>Total High School</b>	<b>27,845</b>	<b>-</b>	<b>223,663</b>	<b>191,112</b>	<b>60,396</b>	<b>5,316</b>	<b>65,712</b>
<b>Felton Middle School</b>							
Athletics	10,020	-	46,005	47,111	8,914	-	8,914
<b>Kennedy Middle School</b>							
Athletics	775	-	5,105	5,165	715	-	715
<b>Total Gate Receipts</b>	<b>38,640</b>	<b>-</b>	<b>274,773</b>	<b>243,388</b>	<b>70,025</b>	<b>5,316</b>	<b>75,341</b>
<b>School Projects</b>							
High School							
Band	2,027	-	9,659	7,589	4,097	-	4,097
Chamber Singers	36,079	-	19,397	15,260	40,216	299	40,515
Publications/Journalism	31,193	-	29,031	28,329	31,895	-	31,895
Band Club	548	-	19,623	13,328	6,843	-	6,843
Orchestra Instruments	800	-	1,400	2,200	-	-	-
HHS Vocal	6,878	-	14,426	14,491	6,813	1,440	8,253
Choir	17,545	-	23,995	5,805	35,735	400	36,135
Ben Gibson Music Memorial	1,718	-	6,847	6,460	2,105	1,750	3,855
Athletic Foundations	1,410	-	350	-	1,760	-	1,760
Hays City Shootout	5,971	-	2,570	4,550	3,991	-	3,991
Basketball Clinic	-	-	18,815	18,815	-	-	-
Drama	276	-	100	376	-	-	-
Dance Student ID Fee	2,188	-	2,171	2,934	1,425	-	1,425
Debate/Forensics	135	-	-	121	14	-	14
Hays High Industrial Tech Association	181	-	1,823	1,808	196	-	196
Welding Metals Tech	3,385	-	11,686	12,008	3,063	-	3,063
Video Tech	76	-	501	444	133	-	133
Radio Broadcast	3,359	-	6,573	5,319	4,613	60	4,673
Science Breakage	200	-	-	150	50	-	50
Special Woods	48	-	85	-	133	-	133
Business	3,681	-	2,364	2,786	3,259	-	3,259
Stitch N'Design	733	-	150	497	386	-	386
Sales Tax	245	-	50	107	188	-	188
Athletic Equipment	1,258	-	17,747	17,557	1,448	177	1,625
Athletic Supplies	509	-	5,057	4,385	1,181	-	1,181
	704	-	3,193	3,291	606	-	606
<b>\$</b>							

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**District Activity Funds**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance
<b>High School (Continued)</b>							
Athletic Officials	-	-	26,574	26,574	-	-	-
Science Olympiad	152	-	-	-	152	-	152
SO Project Utility	500	-	1,200	890	810	-	810
Crafts/Leisure	161	-	-	13	148	-	148
Psychology	156	-	-	-	156	-	156
Web Team	1,712	-	7,384	8,226	870	-	870
ESL	35	-	-	35	-	-	-
FFA Scholarships	-	-	4,002	-	4,002	-	4,002
FFA Memorial	-	-	4,230	-	4,230	-	4,230
Jordyn Claiborn - Free Spirit	-	-	1,065	500	565	-	565
Alex Santos Memorial	250	-	-	157	93	-	93
Science Lab Books	1,734	-	5,913	6,439	1,208	-	1,208
Newspaper	656	-	12,152	12,075	733	-	733
Library	84	-	1,743	1,039	788	-	788
School Improvements	1,237	-	32,624	29,864	3,997	140	4,137
Guidance Office	681	-	2,260	2,028	913	-	913
Web Store	-	-	61	-	61	-	61
Orchestra Scholarship	333	-	325	250	408	-	408
<b>Total High School</b>	<b>128,838</b>	<b>-</b>	<b>297,146</b>	<b>256,700</b>	<b>169,284</b>	<b>4,266</b>	<b>173,550</b>
<b>Felten Middle School</b>							
Band	3,622	-	7,108	6,125	4,605	-	4,605
Vocal	628	-	2,694	1,630	1,692	-	1,692
Orchestra	24	-	240	240	24	-	24
Yearbook	7,096	-	6,800	6,013	7,883	-	7,883
Quiz/Scholar Bowl	120	-	336	310	146	-	146
Teacher Classroom	1,292	-	2,017	2,431	878	-	878
PE Locks	725	-	-	-	725	-	725
Magazine	7,988	-	7,843	7,321	8,510	-	8,510
Pencil Project	83	-	-	33	50	-	50
Library	151	-	257	109	299	-	299
Video Tech	1,894	-	3,286	3,974	1,206	-	1,206
Interest	-	-	32	27	5	-	5
Sales Tax	-	-	1,712	1,712	-	-	-
Special Project - Improvements	5,325	-	5,282	8,939	1,668	-	1,668
<b>Total Felten Middle School</b>	<b>28,948</b>	<b>-</b>	<b>37,607</b>	<b>38,864</b>	<b>27,691</b>	<b>-</b>	<b>27,691</b>
<b>Kennedy Middle School</b>							
Library Improvements	53	-	81	86	48	-	48
Sales Tax	-	-	1,408	1,408	-	-	-
Educational Improvements	8,387	-	21,670	17,886	12,171	-	12,171
Yearbook	3,082	-	3,383	5,228	1,237	-	1,237
<b>Total Kennedy Middle School</b>	<b>11,522</b>	<b>-</b>	<b>26,542</b>	<b>24,608</b>	<b>13,456</b>	<b>-</b>	<b>13,456</b>

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**District Activity Funds**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance
<b>Wilson Grade School</b>							
Principal's Contingency	\$ 2,301	-	4,809	5,253	1,857	-	1,857
Teacher Classroom	5,670	-	7,206	6,111	6,765	-	6,765
School Improvements	64	-	2,916	2,836	144	-	144
Yearbook	1,108	-	3,084	3,782	410	-	410
Library	165	-	3,107	3,204	68	-	68
Pen/Paper Machines	334	-	733	798	269	-	269
Boxtops/Campbell's Labels	371	-	1,144	-	1,515	-	1,515
<b>Total Wilson Grade School</b>	<b>10,013</b>	<b>-</b>	<b>22,999</b>	<b>21,984</b>	<b>11,028</b>	<b>-</b>	<b>11,028</b>
<b>Lincoln Grade School</b>							
Principal's Contingency	3,321	-	8,853	9,073	3,101	-	3,101
Teacher Classroom	4,190	-	9,629	10,315	3,504	-	3,504
Pictures	231	-	429	373	287	-	287
Sales Tax	-	-	6	6	-	-	-
Special Projects	3,414	-	3,719	3,505	3,628	-	3,628
<b>Total Lincoln Grade School</b>	<b>11,156</b>	<b>-</b>	<b>22,636</b>	<b>23,272</b>	<b>10,520</b>	<b>-</b>	<b>10,520</b>
<b>O'Loughlin Grade School</b>							
School Pictures	5,055	-	2,273	1,486	5,842	-	5,842
Teacher Classroom	4,383	-	7,655	7,905	4,133	-	4,133
Book Fair	650	-	4,331	4,011	970	-	970
School and Field Trip Acct.	-	-	948	948	-	-	-
Ambassador	122	-	668	600	190	-	190
Yearbook	277	-	3,010	2,872	415	-	415
Agendas	531	-	546	656	421	-	421
Big G Tops	1,464	-	2,067	809	2,722	-	2,722
Principal's Fund	1,268	-	2,653	2,452	1,469	-	1,469
Binder	508	-	300	285	523	-	523
Pencil	764	-	725	532	957	-	957
Headphones	315	-	420	-	735	-	735
<b>Total O'Loughlin Grade School</b>	<b>15,337</b>	<b>-</b>	<b>25,596</b>	<b>22,556</b>	<b>18,377</b>	<b>-</b>	<b>18,377</b>
<b>Roosevelt Grade School</b>							
Library	623	-	140	5	758	-	758
Classroom Parties	-	-	778	778	-	-	-
Principal's Contingency	5,833	-	1,349	2,189	4,993	-	4,993
Teacher Classroom	3,869	-	7,998	5,127	6,740	-	6,740
Pencil and Notebook	2,369	-	1,042	810	2,601	-	2,601
Special Projects	11,465	-	14,096	12,487	13,074	-	13,074
<b>Total Roosevelt Grade School</b>	<b>24,159</b>	<b>-</b>	<b>25,403</b>	<b>21,396</b>	<b>28,166</b>	<b>-</b>	<b>28,166</b>

The notes to the financial statements are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**District Activity Funds**  
**Summary of Cash Receipts, Expenditures, and Unencumbered Cash**  
**For the Year Ended June 30, 2010**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance
<b>Washington Grade School</b>							
Principal's Contingency	\$ 2,993	-	6,539	5,746	3,786	-	3,786
Pictures	1,317	-	180	14	1,483	-	1,483
Yearbook	1,563	-	553	39	2,077	-	2,077
Book Programs	1,084	-	1,046	1,656	474	-	474
T-Shirts/Sweatshirts	334	-	1,690	1,603	421	-	421
Trip	758	-	217	357	618	-	618
Mentor Program	1,725	-	250	325	1,650	-	1,650
Classroom Activities	5,953	-	3,900	2,212	7,641	-	7,641
Reading Is Fundamental	9	-	241	241	9	-	9
Pencil and Notebook	458	-	187	309	336	-	336
Sports	479	-	250	100	629	-	629
<b>Total Washington Grade School</b>	<b>16,673</b>	<b>-</b>	<b>15,053</b>	<b>12,602</b>	<b>19,124</b>	<b>-</b>	<b>19,124</b>
<b>Total School Projects</b>	<b>246,646</b>	<b>-</b>	<b>472,982</b>	<b>421,982</b>	<b>297,646</b>	<b>4,266</b>	<b>301,912</b>
<b>Total District Activity Funds</b>	<b>\$ 285,286</b>	<b>-</b>	<b>747,755</b>	<b>665,370</b>	<b>367,671</b>	<b>9,582</b>	<b>377,253</b>

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Unified School District No. 489 Hays, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

**Reporting Entity**

The District is a municipal corporation governed by an elected seven-member board. The financial statements of the District consist of all the funds of the District that are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

The following is a component unit of the District. The District exercises significant influence or accountability based primarily on operational or financial relationships with the District (as distinct from legal relationships).

**Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence**

The Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence is organized as a non-profit organization in the State of Kansas for the purpose of providing charitable and educational functions to the District. Seven members of the Board of Trustees of the Foundation are also members of the Board of Education of the District. Their financial statements are not included in this report. Contact the District Clerk for information on how to obtain this financial information.

The District is the primary government as defined in GASB #14 and further amended by GASB #39. The School Board is elected by the public. The Board has the authority to make decisions, levy taxes, influence operations and has the primary accountability in fiscal matters.

**Use of Estimates**

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

**Basis of Presentation – Fund Accounting**

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the District for the year ended June 30, 2010.

**Governmental Fund Categories**

**General Fund** – to account for and report all financial resources not accounted for and reported in another fund.

**Special Revenue Funds** – to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Debt Service Funds** – to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**Fiduciary Fund Categories**

**Agency Funds** – to account for assets held by the District as trustee or agent for others.

**Student Activity Funds** – an agency fund that accounts for the receipts and disbursements of monies from student activity organizations in which the students participate and are involved in the management of the organization's activities. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. The student organization approves the expenditure, not the Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

**District Activity Fund** – an agency fund that accounts for the receipts and disbursements of monies from District activities. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. The students participate in the activities, but the Board of Education has control of the expenditures. This accounting reflects the District's agency relationship with the student activity organizations.

**Statutory Basis of Accounting**

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The District has approved a resolution that is in compliance with K.S.A. 75-1120 a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

**Departure From Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and debt service funds.

Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget.

- a. Preparation of the budget for the succeeding fiscal year on or before August 1<sup>st</sup>.
- b. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15<sup>th</sup>, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were two budget amendments this year for the At Risk (K-12) Fund and the Virtual Education Fund.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds, and the following special revenue funds: O'Loughlin Pre-School Fund, Munjor Childcare Fund, Reading Recovery Collaboration Fund, Head Start Fund, Head Start – ARRA Fund, Head Start – ARRA Expansion Fund, Early Head Start Fund, Early Head Start – ARRA Fund, Early Head Start – ARRA Expansion Fund, Title I Fund, Title I Carryover Fund, Title I – ARRA Fund, Title I Migrant Fund, Title IV Safe and Drug Free Schools Fund, Title IV Safe and Drug Free Schools Carryover Fund, Title II A Teacher Quality Fund, Title II A Teacher Quality Carryover Fund, Title II D Education Technology Fund, Title II D Education Technology – ARRA Fund, Miscellaneous Mini Grants Fund, Strengthening Families Grant Fund, PAT-KELC 2009 Fund, PAT-KELC 2010 Fund, Smart Start 2007 Grant Fund, Smart Start 2008 Grant Fund, Smart Start 2009 Grant Fund, Smart Start 2010 Grant Fund, ECMH 2008 Grant Fund, ECMH 2009 Grant Fund, and ECMH 2010 Grant Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Deposits and Investments**

The District follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary of cash receipts, expenditures, and unencumbered cash.

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk**

State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not use "peak periods". All deposits were legally secured at June 30, 2010.

At June 30, 2010, the District's carrying amount of deposits was \$2,358,317 and the bank balance was \$4,838,882. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$529,826 was covered by federal depository insurance and \$4,309,056 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2010.

**Compensated Absences**

The District's contract with various employees permits them to accumulate sick leave. Certified and non-certified personnel may accumulate sick leave at two days per annum and one day per contract month with full salary. Unused sick leave is cumulative without limit. Upon termination, employees with five years of service will receive accumulated sick leave at a rate of \$65 per day for all days above 20 days. The total potential liability for sick leave approximated \$1,882,333 at June 30, 2010. This potential liability is shown on the schedule of long-term debt.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Classified personnel who have completed a full year of service on June 1 are granted paid vacation based on length of service. All vacation awarded in any given year shall be taken during that same contract year.

**Deferred Compensation Plan**

The District sponsors deferred compensation plans under Internal Revenue Code Sections 403(b) and 457(b). Permanent and part-time employees are eligible to participate under these plans. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

**Defined Benefit Pension Plan**

**Plan Description**

The District contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

**Funding Policy**

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% and 6% (if hired on or after July 1, 2009) of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. The State currently contributes 8.57% of covered payroll and 16.07% for non-licensed KPERS retirees and 20.07% for licensed KPERS retirees. These contribution requirements are established by KPERS and are periodically revised. The State of Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2010, 2009, and 2008 were \$248,468,186, \$242,277,363, and \$220,815,154, respectively, equal to the required contributions for each year.

**Other Post Employment Benefits**

The District provides post retirement healthcare benefits, effective September 18, 2000, in accordance with State statutes. To be eligible for early retirement, the employee must have been employed in the District in a full-time position at least 10 years and turn 55 years of age or older prior to the first day of school the following year. The employee must be a current employee and give written notice to the Superintendent on or before May 10<sup>th</sup> of the year in which the employee wishes to retire early. The District will pay a minimum of \$5,858 annually toward the retired employees' health insurance in the District pool until the retiree reaches age 65. Throughout the year ended June 30, 2010, 66 retirees met those eligibility requirements. Expenditures for post retirement healthcare benefits are recognized as retirees report claims. During the year, expenditures of \$408,768 were recognized for post retirement healthcare.

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The District pays the full amount of the applicable premium for single coverage. The employee is responsible for any amounts above the single coverage premium. Conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property Tax Calendar**

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1<sup>st</sup> are due one-half by December 20<sup>th</sup> and one-half by May 10<sup>th</sup>. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

**Restricted Assets**

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the District for special purposes.

**Reimbursements**

The District records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursement as revenue to that fund.

**NOTE 2 – INTERFUND TRANSFERS**

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 489 Hays, Kansas'** interfund transfers and statutory authority for June 30, 2010 were as follows:

From	To	Statutory Authority	Amount
General Fund	Bilingual Education Fund	K.S.A. 72-6428	\$ 118,436
General Fund	Driver Training Fund	K.S.A. 72-6428	1,157
General Fund	Virtual Education Fund	K.S.A. 72-6428	84,233
General Fund	Special Education Fund	K.S.A. 72-6428	4,301,548
General Fund	Vocational Education Fund	K.S.A. 72-6428	876,388
General Fund	Parent Education Program Fund	K.S.A. 72-6428	42,737
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-6428	175,957
General Fund	At Risk (K-12) Fund	K.S.A. 72-6428	1,811,886
General Fund	Capital Outlay Fund	K.S.A. 72-6428	5,360
Special Education Fund	Coop Special Education Fund	K.S.A. 72-6433	4,123,160

**NOTE 3 – LITIGATION**

**Unified School District No. 489 Hays, Kansas** is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the District.

**NOTE 4 – RISK MANAGEMENT**

**Unified School District No. 489 Hays, Kansas** carries commercial insurance for risks of loss, including property, general liability, inland marine, automobile, school board liability, umbrella, workers compensation, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2010

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**NOTE 5 – GRANTS AND SHARED REVENUES**

**Unified School District No. 489 Hays, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

**NOTE 6 – RELATED PARTY TRANSACTIONS**

In accordance with Financial Accounting Standards Board Statement No. 57 (the Statement), the following related party transactions were identified for the fiscal year 2010. Related party transactions do not include compensation arrangements, expense allowances and reimbursements, and similar items incurred in the ordinary course of operations and, accordingly, such items are not included below.

<b>Richard Kraemer</b> – Shareholder of Insurance Planning and a Board Member.	<b>\$ 137,149</b>
--------------------------------------------------------------------------------	-------------------

**NOTE 7 – COMPARATIVE DATA**

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **Unified School District No. 489 Hays, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

**NOTE 8 – OPERATING LEASES**

On October 6, 2004, **Unified School District No. 489 Hays, Kansas** entered into a lease agreement with Xerox Corporation for a Xerox 2101 Copier. The agreement calls for monthly payments of \$1,098 for 60 months. Payments totaling \$6,587 were made prior to June 30, 2010. This lease expired November 6, 2010.

On June 18, 2008, the District entered into a lease agreement with Xerox Corporation for a Xerox 4595 Copier. The agreement calls for monthly payments of \$1,222 for 60 months. Payments totaling \$14,668 were made prior to June 30, 2010. Future scheduled payments to maturity are as follows:

Year	Amount
2011	\$ 14,669
2012	14,669
2013	14,669
2014	2,445

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2010

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**NOTE 8 – OPERATING LEASES (continued)**

On December 21, 2009, the District entered into a lease agreement with Essdack Corporation for an Ikon PCP1050 Copier. The agreement calls for monthly payments of \$975 for 60 months. Payments totaling \$5,850 were made prior to June 30, 2010. Future scheduled payments to maturity are as follows:

Year	Amount
2011	\$ 11,700
2012	11,700
2013	11,700
2014	11,700
2015	5,850

**NOTE 9 – LONG-TERM DEBT**

**Unified School District No. 489 Hays, Kansas** has the following types of long-term debt.

**General Obligation Bonds**

On September 1, 1998, the District issued \$4,440,000 in Series 1998 general obligation bonds to finance various school improvements.

**No Fund Warrant**

The District entered into a No Fund Warrant of \$300,000 on July 13, 2009 to finance the purchase of text books.

**Lease Obligations**

The District has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
Notes to Financial Statements  
June 30, 2010

**NOTE 10 - LONG-TERM DEBT (continued)**

Changes in long-term liabilities for the District for the year ended June 30, 2010 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
<b>General Obligation Bond</b>										
Series 1998	4.00-4.25%	09/01/98	\$ 4,440,000	11/01/10	\$ 1,270,000	-	(720,000)		550,000	38,675
<b>No Fund Warrant</b>										
2010 No Fund Warrant	3.90%	07/13/09	\$ 300,000	02/01/12	-	300,000	(98,993)		201,007	6,507
<b>Capital Leases Payable</b>										
Elementary Classroom Additions	4.92%	03/01/02	\$ 645,000	10/31/09	93,316	-	(93,316)		-	4,587
Dell Computers	4.30%	05/09/07	3,710,745	02/01/11	1,912,510	-	(935,917)		976,593	72,284
POS System	4.54%	07/17/07	41,840	02/01/11	21,374	-	(10,447)		10,927	854
Telephone System	3.65%	08/18/08	16,600	12/15/10	10,996	-	(5,400)		5,596	401
School Bus	3.65%	12/18/08	104,998	02/15/15	88,859	-	(13,516)		75,343	3,243
Internet Filtering System	3.65%	02/23/09	59,067	10/15/11	59,067	-	(19,610)		39,457	1,205
CIC Software	3.65%	03/10/09	171,313	03/10/16	147,116	-	(18,827)		128,289	5,370
<b>Total Contractual Indebtedness</b>					3,603,238	300,000	(1,916,026)	-	1,987,212	133,126
<b>Compensated Absences</b>					1,902,926			(20,593)	1,882,333	
<b>Total Long-Term Debt</b>					\$ 5,506,164	300,000	(1,916,026)	(20,593)	3,869,545	133,126

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2010

**NOTE 10 - LONG-TERM DEBT (continued)**

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	YEAR						
	2011	2012	2013	2014	2015	2016	Total
<b>Principal</b>							
General Obligation Bond	\$ 550,000	-	-	-	-	-	550,000
No Fund Warrant	98,621	102,386	-	-	-	-	201,007
Capital Leases Payable	1,046,014	54,818	36,010	37,329	38,692	23,342	1,236,205
<b>Total Principal</b>	<b>1,694,635</b>	<b>157,204</b>	<b>36,010</b>	<b>37,329</b>	<b>38,692</b>	<b>23,342</b>	<b>1,987,212</b>
<b>Interest</b>							
General Obligation Bond	11,688	-	-	-	-	-	11,688
No Fund Warrant	6,879	2,995	-	-	-	-	9,874
Capital Leases Payable	41,059	6,953	4,945	3,627	2,264	854	59,702
<b>Total Interest</b>	<b>59,626</b>	<b>9,948</b>	<b>4,945</b>	<b>3,627</b>	<b>2,264</b>	<b>854</b>	<b>81,264</b>
<b>Total Principal and Interest</b>	<b>\$ 1,754,261</b>	<b>167,152</b>	<b>40,955</b>	<b>40,956</b>	<b>40,956</b>	<b>24,196</b>	<b>2,068,476</b>

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2010

**NOTE 11 - COMPLIANCE WITH K.S.A. 72-6417(d) AND K.S.A. 72-6434(d)**

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the school district to record any payment of general state aid that is due to be paid during the month of June and is paid to the school district after June 30, as a receipt for the school year ending on June 30. The following shows the revenue as required by these statutes.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

**General Fund**

Statutory Revenues and Expenditures - Statutory and Budget

For the Year Ended June 30, 2010

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Statutory Revenues</b>			
Taxes and Shared Revenues			
Taxes	\$ 4,364,884	4,244,053	120,831
Intergovernmental Revenues			
Equalization Aid	9,716,312	10,108,051	(391,739)
Mineral Severance Tax	14,881	34,355	(19,474)
State Aid	3,533	-	3,533
Special Education State Aid	2,515,196	2,562,519	(47,323)
Federal Aid - ARRA	784,071	784,071	-
Other Local Sources			
Reimbursements	550,423	-	550,423
<b>Total Statutory Revenues</b>	<u>17,949,300</u>	<u>17,733,049</u>	<u>216,251</u>
<b>Expenditures</b>			
Instruction	4,687,579	4,192,488	495,091
Student Support Services	21,003	290,134	(269,131)
Instructional Support Services	652,710	544,149	108,561
General Administration	745,626	764,913	(19,287)
School Administration	1,739,826	1,855,496	(115,670)
Operations and Maintenance	1,855,955	1,913,578	(57,623)
Student Transportation Services	708,324	805,609	(97,285)
Other Supplemental Services	121,263	114,030	7,233
Operating Transfers	7,417,702	7,253,339	164,363
Adjustment to Comply with Legal Max	-	(337,704)	337,704
Legal General Fund Budget	17,949,988	17,396,032	553,956
(a) Adjustment for Qualifying Budget Credits	-	553,956	(553,956)
<b>Total Expenditures and Legal     General Fund Budget</b>	<u>17,949,988</u>	<u>17,949,988</u>	<u>-</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	<b>(688)</b>		
<b>Modified Unencumbered Cash - Beginning</b>	<b>688</b>		
<b>Prior Year Cancelled Encumbrances</b>	<u>178</u>		
<b>Modified Unencumbered Cash - Ending</b>	\$ <u>178</u>		
 <b>(a) Adjustment for Qualifying Budget Credits</b>			
State Aid Over Amount Budgeted		\$ 3,533	
Reimbursements Over Amount Budgeted		550,423	
<b>Total</b>		\$ <u>553,956</u>	



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2010

**NOTE 11 - COMPLIANCE WITH K.S.A. 72-6417(d) AND K.S.A. 72-6434(d) (continued)****UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS****Supplemental General Fund**

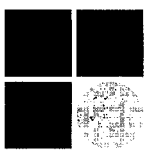
Statutory Revenues and Expenditures - Statutory and Budget

For the Year Ended June 30, 2010

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Statutory Revenues</b>			
Taxes and Shared Revenues			
Taxes	\$ 4,795,808	4,507,037	288,771
Intergovernmental Revenues			
Equalization Aid	683,876	909,705	(225,829)
Federal Aid - ARRA	232,353	-	232,353
<b>Total Statutory Revenues</b>	<u>5,712,037</u>	<u>5,416,742</u>	<u>295,295</u>
<b>Expenditures</b>			
Instruction	5,715,031	5,715,031	-
General Administration	8,547	8,547	-
<b>Total Expenditures and Legal         Supplemental General Fund Budget</b>	<u>5,723,578</u>	<u>5,723,578</u>	<u>-</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	(11,541)		
<b>Modified Unencumbered Cash - Beginning</b>	<u>306,836</u>		
<b>Modified Unencumbered Cash - Ending</b>	<u>\$ 295,295</u>		

**Unified School District No. 489 Hays, Kansas**

Supplementary Information



Certified  
Public  
Accountants

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Education

**Unified School District No. 489 Hays, Kansas**

Hays, Kansas

We have audited the financial statements of **Unified School District No. 489 Hays, Kansas** as of and for the year ended June 30, 2010, and have issued our report thereon dated December 06, 2010. The report on the audited financial statements was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as 10-A, that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **Unified School District No. 489 Hays, Kansas'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of **Unified School District No. 489 Hays, Kansas** in a separate letter dated December 06, 2010.

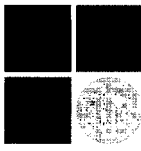
**Unified School District No. 489 Hays, Kansas'** response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit **Unified School District No. 489 Hays, Kansas'** response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education, others within the entity, federal awarding agencies, and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

December 06, 2010



Certified  
Public  
Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Education  
**Unified School District No. 489 Hays, Kansas**  
Hays Kansas

**Compliance**

We have audited **Unified School District No. 489 Hays, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of **Unified School District No. 489 Hays, Kansas'** major federal programs for the year ended June 30, 2010. **Unified School District No. 489 Hays, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of **Unified School District No. 489 Hays, Kansas'** management. Our responsibility is to express an opinion on **Unified School District No. 489 Hays, Kansas'** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the *Kansas Municipal Audit Guide*; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, the audit guide, and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Unified School District No. 489 Hays, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **Unified School District No. 489 Hays, Kansas'** compliance with those requirements.

In our opinion, **Unified School District No. 489 Hays, Kansas** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

**Internal Control Over Compliance**

Management of **Unified School District No. 489 Hays, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered **Unified School District No. 489 Hays, Kansas'** internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance

**Unified School District No. 489 Hays, Kansas**  
Page Two

with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Education, others within the entity, federal awarding agencies, and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

December 06, 2010

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2010

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unqualified

Internal control over financial reporting

- Material weakness identified?        Yes   X   No
- Significant deficiency identified?   X   Yes        None reported
- Noncompliance material to financial statements noted?        Yes   X   No

**FEDERAL AWARDS**

Internal control over major programs:

- Material weakness identified?        Yes   X   No
- Significant deficiency identified?        Yes   X   None reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB *Circular A-133*?        Yes   X   No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
Title I, Part A Cluster -	
84.010	Title I Grants to Local Educational Agencies
84.389	Title I Grants to Local Educational Agencies, Recovery Act
Special Education Cluster -	
84.027	Special Education - Grants to States
84.173	Special Education - Preschool Grants
84.391	Special Education - Grants to States, Recovery Act
84.392	Special Education - Preschool Grants, Recovery Act
Head Start Cluster	
93.600	Head Start
93.708	ARRA - Head Start
93.709	ARRA - Early Head Start
Other Grants -	
84.394	State Fiscal Stabilization Fund (SFSF) - Basic Grants to States

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?        Yes   X   No

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2010

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Significant Deficiency in Internal Control**

**10-A**

**Criteria**

Client personnel responsible for the accounting and reporting function should have the necessary skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or when preparing financial statements.

**Condition**

Client personnel responsible for the accounting and reporting function do not have the necessary skills and knowledge to apply generally accepted accounting principles.

**Effect**

Financial transactions and financial statements may not properly reflect financial information in accordance with generally accepted accounting principles.

**Cause**

The District's accounting personnel are unable to obtain the training necessary to obtain these skills due to its size and financial resources.

**Recommendation**

Continual training of accounting personnel should be implemented to ensure financial transactions and financial statements are being presented as accurately as possible.

**Views of responsible officials and planned corrective actions**

The District is aware that personnel responsible for the accounting and reporting function do not have the necessary skills and knowledge to apply generally accepted accounting principles. However, due to the size and financial resources of the District, it would not be feasible to obtain the necessary training.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No material findings or questioned costs are required to be disclosed under OMB Circular A-133.



**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2010

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No material findings or questioned costs for the year ended June 30, 2009 are required to be disclosed under OMB Circular A-133.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Disbursements/ Expenditures
<b>U.S. Department of Agriculture</b>			
Passed Through Kansas State Department of Education			
<b>Child Nutrition Cluster</b>			
School Breakfast Program	10.553	3529-3490 3490 9904	\$ 104,428
National School Lunch Program	10.555	3530-3500 3500 9902/03/12	555,042
Child and Adult Care Food Program	10.558	3531-3510 3510 9916/21	67,385
Summer Food Service Program for Children	10.559	3230-3020 3020 9923/25/88	19,802
State Administrative Expenses for Child Nutrition	10.560	3230-3020 R201	1,150
RA-NSLP Equipment	10.579	3230-3030 3030 9979	<u>15,390</u>
<b>Total Child Nutrition Cluster</b>			<u>763,197</u>
<b>U.S. Department of Education</b>			
Passed Through Kansas State Board of Education			
<b>Title I Funds</b>			
Title I Grants to Local Educational Agencies	84.010	3532-3520 3520	354,418
Title I Grants to Local Educational Agencies - Recovery Act	84.389	3532-3525 3525	<u>136,103</u>
<b>Total Title I</b>			<u>490,521</u>
<b>Title I Carry Over</b>			
Title I Grants to Local Educational Agencies	84.010	3532-3520 3520	<u>60,500</u>
<b>Title I Migrant Fund</b>			
Migrant Education - Basic State Grant Program	84.011	3537-3570 3570	<u>92,000</u>
<b>Coop Special Education Fund</b>			
Special Education - Grants to States (IDEA Part B)	84.027	3234-3050 3050 1000/5000	881,118
Special Education - Preschool Grants (IDEA Preschool)	84.173	3535-3550 3550 1000	26,861
Special Education - Grants to States (IDEA Part B) Recovery Grant	84.391	3234-3055 3055	460,809
Special Education - Preschool Grants (IDEA Preschool) Recovery Grant	84.392	3535-3555 3555	<u>19,408</u>
<b>Total Coop Special Education Fund</b>			<u>1,388,196</u>
<b>Vocational Education Fund</b>			
Vocational Ed - Basic Grants to States	84.048	3539-3590 3590 9920	<u>26,617</u>
<b>Title II A Teacher Quality Fund</b>			
Improving Teacher Quality State Grants	84.367	3256-3860 3860	<u>147,219</u>
<b>State Fiscal Stabilization Fund</b>			
State Fiscal Stabilization Fund - Education State Grants Recovery Act	84.394	3790-3790 3790	<u>1,016,424</u>
<b>Title II D Technology Fund</b>			
Education Technology State Grants	84.318	3233-3040 3040 9963	3,699
Education Technology State Grants - Recovery Act	84.386	3233-3044 3040 9962	<u>9,096</u>
<b>Total Title II D Technology</b>			<u>12,795</u>
<b>Title IV Drug Free Fund</b>			
Safe and Drug Free Schools and Communities - State Grant	84.186	3795-3100 3100 1000	<u>9,568</u>

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Disbursements/ Expenditures
<b>Capital Outlay Fund</b>			
School Preparedness	84.302	3056-3200 U875	<u>1,250</u>
<b>Mini Grants Fund</b>			
Data Use Grant	84.372	3592-3070 NO83	<u>800</u>
<b>U.S. Department of Health and Human Services</b>			
Direct Programs			
<b>Head Start Fund</b>			
Head Start Program	93.600	2K96G	<u>905,519</u>
<b>Early Head Start Fund</b>			
Head Start Program	93.600	2K96G	<u>201,769</u>
<b>Head Start Recovery Act</b>			
Head Start - Recovery Act	93.708	2K96G	46,278
Head Start - Recovery Act	93.708	2K96G	32,321
Head Start - Recovery Act	93.708	2K96G	67,872
Early Head Start - Recovery Act	93.709	2K96G	<u>136,355</u>
<b>Total Head Start Recovery Act</b>			<u>282,826</u>
Passed Through Kansas Department of Social Rehabilitation Services			
Child Care and Development Block Grant	93.575	05-07CH0406	<u>471,860</u>
<b>Total Head Start Funds</b>			<u>1,861,974</u>
Passed Through Kansas Department of Social Rehabilitation Services			
<b>Capital Outlay Fund</b>			
Medical Assistance Program	93.778	N/A	<u>8,266</u>
<b>Strengthening Families Fund</b>	93.590	N/A	<u>14,958</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 5,894,285</u>

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2010

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 489 Hays, Kansas**, and is presented on the basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.